Sask911 Annual Report

For the year ended March 31, 2015

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INDEPENDENT AUDITORS' REPORT

To The Members of the Legislative Assembly, Province of Saskatchewan

We have audited the accompanying financial statements of Sask911 Account which comprise the statement of financial position as at March 31, 2015, the statements of operations and net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Sask911 Account as at March 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Accountants

June 8, 2015
Regina, Canada

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KPMG Canada provides services to KPMG LLP.

Sask911 Account

Statement of Financial Position
As at March 31

		2015		2014
Financial assets				
Cash	$	11,568,908	$	11,954,137
Accounts receivable		900,015		905,702
Interest receivable		11,225		12,401
	$	12,480,148	$	12,872,240
Liabilities				
Accounts payable	$	2,381,560	$	2,424,117
Net financial assets	$	10,098,588	$	10,448,123

See accompanying notes.

On behalf of the Account by the manager, SaskTel

Officer

Officer

Sask911 Account

Statement of Operations and Net Assets
For the year ended March 31

		2015		2014
Revenues				
Sask911 fees - Wireline and Wireless	$	9,150,529	$	9,193,387
Interest income		139,058		133,738
		9,289,587		9,327,125
Expenses				
Public safety answering points		5,089,498		4,419,205
Central co-ordination		4,549,624		3,969,070
		9,639,122		8,388,275
(Deficiency) excess of revenues over expenses		(349,535)		938,850
Net financial assets, beginning of year		10,448,123		9,509,273
Net financial assets, end of year	$	10,098,588	$	10,448,123

See accompanying notes.

Sask911 Account

Statement of Cash Flows
For the year ended March 31

	2015	2014
Cash provided by (used in):		
Operating activities		
(Deficiency) excess of revenues over expenses	$ (349,535)	$ 938,850
Changes in non-cash working capital:		
Accounts receivable	5,687	74,556
Interest receivable	1,176	(889)
Accounts payable	(42,557)	(32,168)
(Decrease) increase in cash	(385,229)	980,349
Cash, beginning of year	11,954,137	10,973,788
Cash, end of year	$ 11,568,908	$ 11,954,137

See accompanying notes.

SASK911 ACCOUNT
Notes to Financial Statements
March 31, 2015

1. STATUS OF THE SASK911 ACCOUNT

The Emergency 911 System Act (Chapter E – 7.3 of the Statutes of Saskatchewan) ("the Act") provides for the development, implementation and operation of an Emergency 911 system in the Province, known as The Sask911 System.

Section 45.1 of the SaskTel Act established the Sask911 Account ("the Account"). *The Sask911 Fees Regulations, 2003* (Chapter S - 34 Reg 5 as amended by Saskatchewan Regulations 37/2010), requires all telecommunication operators providing services in Saskatchewan to bill their connected customers prescribed Sask911 fees and to remit these fees to Saskatchewan Telecommunications ("SaskTel") for deposit into the Account. SaskTel manages the Account.

Section 7 of the Act provides that the Minister responsible directs SaskTel to make payments out of the Account for the purposes of implementing the Act or exercising any of the Minister's powers.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian public sector accounting (PSA) standards, issued by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada (CPA).

Revenue recognition
Wireline and wireless Sask911 fees from Saskatchewan Telecommunications are recorded on the accrual basis. Sask911 fees from other service providers are recorded on the basis of amounts reported by the other service providers for the reporting period.

Use of estimates
The preparation of financial statements in conformity with Canadian PSA standards, require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. The inherent uncertainty involved in making such estimates and assumptions may impact the actual results reported in future periods.

3. RELATED PARTY TRANSACTIONS

Included in these financial statements are transactions with various Saskatchewan Crown Corporations, ministries, agencies, boards and commissions subject to common control by the Government of Saskatchewan, non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan and investee corporations accounted for under the equity method (collectively referred to as "related parties").

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms. These transactions and amounts outstanding at year end are as follows:

	2015	2014
Expenses	$ 3,194,637	$ 2,496,815
Accounts payable	1,075,666	946,077
Revenues	7,031,912	7,146,589
Accounts receivable	578,406	590,630

In addition, the Sask911 Account pays Saskatchewan Provincial Sales Tax to the Ministry of Government Services on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

4. FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of cash, accounts receivable, interest receivable and accounts payable approximate fair value due to the short term nature of these financial assets and liabilities.

5. BUDGET

The Sask911 Account does not have a formal budget prepared and approved and therefore this information is not presented in these financial statements.